



August 20, 2020

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N.C. General Assembly
16 West Jones Street
Raleigh, North Carolina 27601

Fiscal Research Division
N.C. General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925

Greg Gaskins
Deputy Treasurer, State and Local Finance Division
Local Government Commission
N.C. Department of State Treasurer
325 North Salisbury Street
Raleigh, North Carolina 27603-1385

RE: The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health Series 2020
Revenue Bonds (Updated from November 21, 2019 letter)

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health ("Atrium Health") hereby notifies you of its intent to issue \$600 million of Series 2020 Health Care Revenue Bonds (the "Bonds") under North Carolina General Statute 131E-26(a) governing hospital authority borrowings. The Bonds, which are expected to be structured as a combination of taxable fixed rate bonds, tax-exempt put bonds and tax-exempt

floating rate notes, will be issued to partially fund Atrium Health's projected North Carolina capital outlays of approximately \$1.8 billion in 2021-2023.

Items expected to be funded with the proceeds of the Series 2020 bonds currently include: (i) expansion of inpatient capacity and related equipment on the campus of Carolinas Medical Center and other Mecklenburg County campuses; (ii) construction of freestanding Emergency Department at Mountain Island Lake; (iii) construction of Musculoskeletal Institute facilities on the campus of Atrium Health – Mercy; (iv) acquisition / construction of office space for supporting services; (v) multiple acute care facility renovations and aesthetic upgrades; (vi) acquisition and installation of health care, IT, medical transport and other equipment; and (vii) other routine capital expenditures.

Atrium Health anticipates that the North Carolina Local Government Commission will consider approval of the issuance of this proposed debt at its meeting scheduled for October 6, 2020.

Highest regards,

A handwritten signature in dark ink, appearing to read "R. Mark Keener", followed by a large, sweeping closing flourish.

R. Mark Keener, CPA
Vice President, Treasurer